

UPDATING NEWTOWN'S PLAN OF CONSERVATION AND DEVELOPMENT

- 2002 -

Plan Memorandum #9 *Economic Development*



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Newtown Planning & Zoning Commission

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I. THE ECONOMIES OF CONNECTICUT, THE REGION AND NEWTOWN

Introduction

The purpose of this memorandum is to describe the existing conditions and characteristics of Newtown's economy relative to the regional and State economies, discuss the changes in the Town's economic base since the preparation of the previous Plan of Development, describe Newtown's future economic development potentials and provide a discussion of economic development issues, recommended goals and suggested strategies to achieve identified goals.

Connecticut, Danbury Labor Market Area and Newtown Economies

During the past ten years, the Connecticut economy has provided most residents with a high economic standard of living, enabled by one of the highest per capita income levels in the United States. Table 1, Trends in Population, Labor Force, Employment and Unemployment describes how Newtown and the Danbury Labor Market Area (LMA) function within Connecticut's economy.

TABLE 1

Trends in Population, Labor Force, Employment and Unemployment

Connecticut, Danbury Labor Market Area and The Town of Newtown
(By Place of Residence)

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Connecticut										
Population	3,277,310	3,275,251	3,274,662	3,274,238	3,269,858	3,274,069	3,282,031	3,409,549	NA	NA
Labor Force	1,773,000	1,735,900	1,712,500	1,721,200	1,723,300	1,706,600	1,708,400	1,746,500	1,717,600	1,715,000
Employed	1,663,000	1,639,300	1,618,100	1,622,400	1,635,400	1,649,300	1,654,500	1,707,100	1,661,300	1,647,400
Unemployed	110,000	96,700	94,900	98,800	87,900	57,300	54,000	39,300	56,400	67,600
% Unemployed	6.2	5.6	5.5	5.7	5.1	3.4	3.2	2.3	3.3	3.9
Danbury LMA										
Population	196,560	198,100	199,650	201,157	199,361	202,009	204,543	218,444	NA	NA
Labor Force	112,874	110,555	108,246	107,954	108,576	109,472	108,505	111,451	108,651	108,200
Employed	107,419	106,015	104,235	103,724	104,922	106,966	106,011	109,751	105,931	104,900
Unemployed	5,455	4,504	4,011	4,230	3,654	2,506	2,494	1,700	2,720	3,300
% Unemployed	4.8	4.1	3.7	3.9	3.4	2.3	2.3	1.5	2.5	3.1
Newtown										
Population	20,810	20,920	20,971	21,035	22,504	23,469	24,168	25,078	NA	NA
Labor Force	11,573	11,160	10,972	11,630	11,696	12,244	12,245	12,620	12,305	12,229
Employed	11,054	10,748	10,564	11,236	11,365	12,001	12,013	12,437	12,004	11,886
Unemployed	519	412	408	394	331	243	232	183	301	343
% Unemployed	4.5	3.7	3.7	3.4	2.8	2.0	1.9	1.5	2.4	2.8

Sources: Population Information- Connecticut Dept. of Health (July 1st reporting period)

Labor Information- Connecticut Dept. of Labor (By Place of Residence - Not Seasonally Adjusted, 2002 is Month of May)

Population Changes:

From June of 1993 through June of 2000, the population of Connecticut grew by 4%, adding 132,239 people. During the same period, the population of the Danbury LMA grew by 11.1%, adding 21,884 people. The Danbury LMA, which accounted for 6.4% of the State's population in 2000, recorded 16.6% of the State's population growth between 1993 and 2000. By comparison, the population of Newtown grew by 4,268 people (20.5%), and accounted for 19.5% of the population growth in the Danbury LMA between 1993 and 2000.

Labor Force

On the state-wide level, the low rate of population growth, combined with the aging of Connecticut's population, resulted in a labor force which declined in size between 1993 and 2002. Even with a significant increase in the population growth of the Danbury Labor Market area, the size of the Area's labor force declined. The resident labor force of Newtown increased by 5% (656 persons) between 1993 and May of 2002.

Employment

In 1992-1993, the Connecticut economy bottomed-out from a recession which began in

TABLE 2

CONNECTICUT'S EMPLOYMENT TRENDS
Annual Average Employment: June 1993 - June 2001
(000's Jobs)

	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>Changes</u> <u>1993-2001</u>
Total Non-farm	1,525.7	1,545.8	1,556.1	1,584.3	1,609.7	1,641.7	1,666.1	1,698.0	1,686.5	160.8
Goods Producing	340.8	335.3	330.9	328.1	333.7	336.9	329.5	329.6	322.1	-18.7
Mining	0.9	0.7	0.7	0.7	0.7	0.7	0.8	0.9	0.9	0.0
Construction	46.7	49.3	50.6	52.8	56.4	58.2	60.2	64.9	65.7	19.0
Manufacturing	293.2	285.3	279.6	274.6	276.6	278.0	268.5	263.8	255.5	-37.7
Service Producing	1,184.9	1,210.5	1,227.2	1,256.2	1,276.0	1,304.8	1,336.6	1,368.4	1,364.4	179.5
T.C.P.U.**	69.1	70.1	71.7	73.9	75.0	76.3	77.4	79.8	79.5	10.4
Trade	329.8	336.5	338.8	346.8	351.7	355.6	357.5	365.4	358.7	28.9
Wholesale	75.1	76.3	77.7	80.3	82.4	83.3	81.1	81.8	78.3	3.2
Retail	254.7	260.2	261.1	266.5	269.3	272.3	276.4	283.6	280.4	25.7
Finance, Insurance & Real Estate	139.6	136.7	132.8	132.0	131.9	135.5	140.0	141.8	142.3	2.7
Service (includes Non-profit)	437.0	449.1	464.4	480.6	493.1	511.2	526.5	537.9	540.5	103.5
Government	209.4	218.1	219.5	222.9	224.3	226.2	235.2	243.5	243.4	34.0

*Disclosure provisions of Connecticut's Unemployment Insurance Law prohibit the release of figures which tend to reveal data reported by individual firms. Manufacturing data in this category are included in the "Other Manufacturing" group.

**Transportation, Communications & Public Utilities (incl. Railroads)

NOTE: The sum of industry groups may not add exactly to totals due to rounding.

1989. Employment in Connecticut grew steadily from 1993 through mid 2000, when the State economy began to experience a new economic contraction. It should be noted that historic employment levels in Connecticut peaked in July of 1990 at 1,742,420 jobs and in spite of the economic expansion of the late 1990's, employment has never returned to this level.

Connecticut is currently in a recession. Between August of 2000 and August of 2002, employment levels in Connecticut have declined by 68,300 jobs. In October of 2002, Connecticut Department of Labor economists projected a continued loss of jobs in the State through the third quarter of 2003. However, not all sectors of the State's economy are projected to experience job losses in the near future. The service and retail trade sectors are projected to experience small increases.

Table 2 provides a sector by sector description of employment trends in Connecticut between 1993 and 2001. During this period of economic expansion, the service sectors of the State's economy saw considerable growth (15%), while the manufacturing sector continued to experience significant losses.

II. NEWTOWN'S ECONOMIC BASE

Existing Characteristics of Newtown's Employment Base

Economic activity within Newtown is influenced by the demands for goods and services generated by residents, businesses and government activities within and beyond town borders. Newtown's economy is influenced by the economic health of several surrounding economic regions, including all of Fairfield County, the New York metropolitan area, the Waterbury region and the New Haven region. Economic activity in Newtown and these regions are in turn linked to and influenced by the conditions of the national and world economies.

The size and composition of a town's employment base over time are indicators of a communities economic health. Newtown's economy contains over 800 businesses that provide a broad variety of goods and services, employing 7,400 people. The following chart describes the composition of Newtown businesses by size of employment. While Newtown has several "marquis" businesses that employ several hundred persons each, over 80% of Newtown's businesses employ fewer than 10 people.

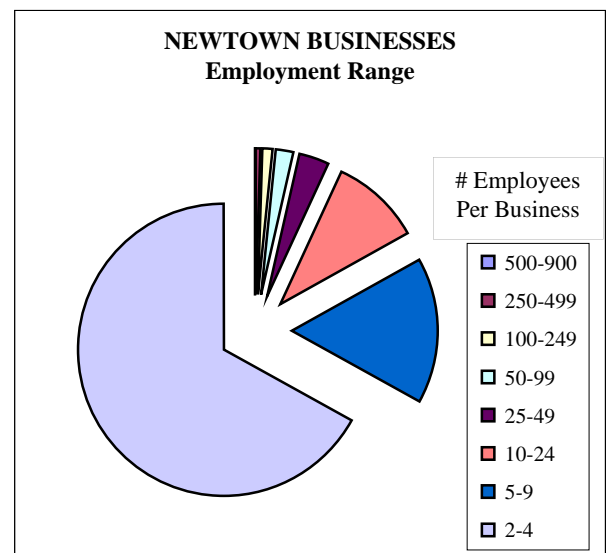


Table 3 describes employment in Newtown, by sector of the economy, between 1993 and 2001. In 2001, nearly 75% of the jobs in Newtown were within the “service producing” sector of the economy and the balance in the “goods producing” sector. This compares to employment in all of Fairfield County, where 80% of the jobs fell within the “service producing” sector of the economy and the balance in the “goods producing” sector and the State’s economy, where 81% of jobs were located within the “service producing” sector of the economy and the balance were in the “goods producing” sector.

Changing Characteristics of Newtown’s Employment Base

Between 1993 and 2001, the economy of Newtown experienced significant fluctuations

TABLE 3
NEWTOWN'S EMPLOYMENT TRENDS
Annual Average Employment: June 1993 - June 2001

	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
Total Non-farm	7,370	7,440	6,800	6,160	6,400	6,830	7,190	7,530	7,420
Goods Producing	1,880	1,830	1,840	1,710	1,720	2,140	2,180	2,050	1,900
Construction	220	210	350	320	390	560	460	370	350
Manufacturing	1,680	1,620	1,490	1,390	1,330	1,580	1,720	1,680	1,550
Fabricated Metals	*	*	*	*	*	*	*	*	*
Machinery	30	20	90	20	30	30	30	30	30
Electrical	160	150	30	40	40	40	40	40	40
Equipment									
Instruments	*	*	*	*	*	*	*	*	*
Other Man.	1,490	1,440	1,370	1,330	1,260	1,510	1,630	1,610	1,480
Service Producing	5,450	5,610	4,950	4,450	4,680	4,690	5,010	5,480	5,520
T.C.P.U.**	*	180	50	190	250	250	260	380	400
Trade	1,500	1,570	1,510	1,580	1,610	1,500	1,460	1,410	1,390
Wholesale	440	450	440	510	540	260	170	190	150
Retail	1,060	1,120	1,070	1,070	1,070	1,240	1,290	1,220	1,240
Finance, Insurance									
& Real Estate	*	520	290	280	310	280	310	340	320
Service (includes									
Non-profit)	1,180	1,390	1,550	1,350	1,560	1,690	2,000	2,370	2,440
Government	2,070	1,950	1,560	1,050	950	970	980	980	970

*Disclosure provisions of Connecticut's Unemployment Insurance Law prohibit the release of figures which tend to reveal data reported by individual firms. Manufacturing data in this category are included in the "Other Manufacturing" group.

**Transportation, Communications & Public Utilities (incl. Railroads)

NOTE: The sum of industry groups may not add exactly to totals due to rounding.

in employment levels. From 1993 to 1996, employment levels in Newtown declined by 1,210 jobs (16.4%). Most of this decline in employment was concentrated in the government sector. Between 1997 and 2000, Newtown's employment base expanded to 7,530 jobs.

Overall, the employment base of Newtown grew by less than 1% between 1993 and 2001. However, this slow rate of growth is largely attributable to the loss of jobs in the government sector, mainly associated with the closing of the State of Connecticut's Fairfield Hills Hospital. Employment in the other sectors of Newtown's economy grew by a combined 1,150 jobs between 1993 and 2001, representing a 15.6% increase. By comparison, employment in Connecticut during the same period grew by 10%, as described in Table 2 and employment in the twelve town Danbury Labor Market Area, which includes Newtown, grew by 3.9% . The top 20 employers in Newtown are listed in Table 4.

TABLE 4
NEWTOWN'S TOP TWENTY EMPLOYERS
May, 2002

<u>Employer</u>	<u>Number of Employees</u>
1. Town of Newtown- Board of Education	714
2. State of Connecticut- Department of Corrections	375
3. Kendro Laboratory Products	350
4. Pitney Bowes	308
5. Taunton Press	270
6. Ashlar of Newtown	250
7. Big Y Supermarket	240
8. Hubbell Wiring Devices	220
9. Charter Communications	215
10. Stop and Shop	180
11. Town of Newtown- Municipal Government	166
12. Curtis Packaging	150
13. Connecticut Light and Power	120
14. Rand Whitney Container Corp.	77
15. T. R. Paul	76
16. Sonics and Materials	63
17. DeVivo Industries	55
18. TUV Rhineland	54
19. Forecast International	46
20. Neumade Products	32

Source: Newtown Community Development Office

The composition of Newtown's employment base also experienced fluctuations between 1993 and 2001. While the percent of jobs in the goods producing sector in 1993 and 2001 are the same (25%), this sector expanded from 26.9% to 30.3% between July of 1997 through June of 1999, adding 460 jobs, including 390 in the manufacturing sector. Table 3 describes the changes in the make-up of Newtown's employment base from 1993 through 2001.

Newtown's Resident Labor Force

In 2001, the labor force generated by Newtown residents numbered 12,585 people. This compares to approximately 7,420 persons employed within Newtown. In 2001, Newtown's resident labor force exceeded the number of jobs located in Town by 41%. Newtown's resident labor force represented 11.3% of the total labor force in the Danbury Labor Market Area in 2001.

TABLE 5
NEWTOWN'S IMMEDIATE MARKET AREA
Employment by Town- June 2001

	<u>Bethel</u>	<u>Bridgewater</u>	<u>Brookfield</u>	<u>Danbury</u>	<u>Easton</u>	<u>Monroe</u>	<u>Newtown</u>	<u>Oxford</u>	<u>Redding</u>	<u>Southbury</u>
Total Nonfarm	6,220	170	7,580	43,910	740	6,300	7,420	1,970	1,030	9,760
Goods Producing	2,370	30	1,910	11,070	100	1,340	1,900	650	110	590
Construction	420	20	550	1,600	90	240	350	290	90	280
Manufacturing	1,950	10	1,360	9,470	10	1,100	1,550	360	20	310
Fabricated Metals	*	0	50	390	0	0	*	0	0	*
Machinery	370	0	190	960	0	*	30	0	*	*
Elect. Equipment	710	0	500	1,510	0	60	40	*	*	*
Instruments	*	0	500	1,100	0	0	*	*	0	0
Other Manufact.	870	10	120	5,510	0	*	1,480	0	20	310
Service Producing	3,850	140	5,670	32,840	640	4,960	5,520	1,320	920	9,170
T.C.P.U.**	250	0	480	1,300	*	360	400	270	*	270
Trade	1,250	30	2,140	11,100	80	1,790	1,390	320	90	1,350
Wholesale	300	0	320	1,660	30	350	150	60	20	110
Retail	950	30	1,820	9,440	50	1,440	1,240	260	70	1,240
Finance, Insurance & Real Estate	310	20	190	3,980	*	170	320	50	*	490
Service (includes Non-profit)	1,470	60	2,490	12,800	240	2,020	2,440	330	410	4,650
Government	570	30	370	3,660	320	620	970	350	380	2,410

*Disclosure provisions of Connecticut's Unemployment Insurance Law prohibit the release of figures which tend to reveal data reported by individual firms. Manufacturing data in this category are included in the "Other Manufacturing" group.

**Transportation, Communications & Public Utilities (incl. Railroads)

NOTE: The sum of industry groups may not add exactly to totals due to rounding.

Table 5 describes the employment characteristics of Newtown's economy relative to the eight adjacent communities and to the City of Danbury. Note that the employment characteristics found in Newtown are very similar to those of adjacent Brookfield.

III. RECENT ECONOMIC DEVELOPMENT TRENDS IN NEWTOWN

Commercial, Service & Industrial Uses

Commercial, service and industrial land uses experienced moderate increases during the past decade. Examples of several economic development projects (new construction) in Newtown during the past 10 years include the 41,000 square foot



Braun Movers – Barnabas Road

Toddy Hill Road, the 60,000 square foot manufacturing facility built by Neumade Products Incorporated located on Pecks Lane, the 60,000 square foot expansion of the Newtown Shopping Center located on Queen Street, the first phase (26,000 square feet) of a self-storage facility located on South Main

Street that is approved for a total of 50,000 square feet and a 20,000 square foot distribution and warehouse facility located on Barnabas Road.



Big "Y" on Queen Street

warehouse facility constructed by the Curtis Packaging Corporation located at the intersection of Route 34 and



Equestrian Facility – Barnabas Road



"Flex Space" Building
Simm Lane

In addition to these examples of new construction, Newtown saw the renovation of several existing buildings to accommodate a variety of economic development activities. Examples of this include the renovation of the 53,000 square foot Rocky Mill in Sandy Hook and the 85,500 square foot Simm Lane Business Building, renovated as a "flex space" facility to



Mill Building Renovation

house a variety of business uses.

Table 8 summarizes the 700,000 square feet of building space constructed in support of economic development activities that occurred between 1992 and 2001. The table distinguishes new building construction from building renovations. New building construction averaged 43,900 square feet per year and building renovations averaged 26,700 square feet per year between 1992 and 2001.



Charter Communications – Commerce Rd.

IV. FUTURE ECONOMIC DEVELOPMENT POTENTIAL

Market Potentials

Forecasts for future economic growth in Connecticut for the period 1998-2008 were prepared by the Connecticut Department of Labor (CT DOL) prior to the current recession. Given current economic conditions and more recent CT DOL near term employment projections, it is doubtful that these forecasts will be realized. However the forecasts can be used to indicate that the CT DOL believes the economic region in which Newtown is located will achieve the second highest rate of economic growth in Connecticut in the near future. (Source: Connecticut Occupational Employment Projections, 1998 – 2008, by Projection Region, prepared by CT DOL)



International Fiber – Commerce Rd.



TUV – Commerce Rd.

Making projections of the market potential to support future economic development depends on several factors, some of which are beyond the control of the Town of Newtown. In 1997, an analysis was made of the market potentials for economic development in Newtown for use in master planning the Hawleyville area. This analysis examined the surrounding market region to understand probable market support for future office, industrial and retail uses within Newtown. This market assessment was recently updated as a part of the Fairfield Hills Master Plan process and is summarized in Table 6.

Economic Development that is Local Population Dependant

One of the several factors affecting market support for future economic development activity in Newtown is the growth in the Town's population and that of surrounding communities. Newtown's population is projected to experience continued growth during

TABLE 6
ECONOMIC DEVELOPMENT
Market Demand Assessment

<u>Market Use</u>	<u>Current (1) Demand Level</u>	<u>Current (2) Supply Level</u>	<u>Current (3) Market Position</u>
<i>Office</i>			
Corporate	Weak*	Oversupply*	Contender
Professional	Slow	Balance	Contender
Medical	Active	Shortage	Contender
<i>Industrial/Service</i>			
Manufacturing	Slow	Oversupply	Contender
Small "Flex" Space	Active	Shortage	Contender
Warehouse/Dist.	Active	Balance	Contender
Service/Utility	Active	Balance	Contender
<i>Retail</i>			
Grocery/Conv.	Strong	Shortage	Contender
Big Box	Active	Shortage	Trailer
Highway Service	Active	Balance	Contender
Dining	Strong	Shortage	Contender

(1) Represents the market demand for various market segments in the market area.

(2) Represents the supply of available space as compared to demand in the market area.

(3) Represents Newtown's market position as a location for various market segments.

* Market segment which relies primarily on single or major user interest.

the next 10 years. Economic development activity generated by the demands for goods and services from the local population are the most likely to grow during the next ten years. Portions of this demand will manifest itself in the form of population serving businesses located in office and retail space:

Office Space: The demand for local population serving office space uses will continue, especially office space associated with the health care industry. These types of uses can be satisfied in multiple tenant buildings hosting a variety of office space users or in multiple tenant office buildings with a single focus, such as a medical office building.



Mixed-Use Retail/Office
Colonial Park Plaza, S. Main St.

Retail Space: The demand for retail services serving the local population is expected to grow to meet the needs of Newtown's expanding population base. Some of this demand will be accommodated in the expansion of existing free-standing retail stores and shopping centers and some of the demand will be met in the development of new retail complexes.



Sand Hill Plaza - South Main St.

One segment of the demand for retail services generated by Newtown's population which will not be met in Newtown are stores requiring more than 40,000 square feet of building space. Newtown's zoning ordinance prohibits the development of retail uses containing more than 40,000 square feet of building space. This prohibition will most likely exclude the development of large retail stores such as Wal-Mart, Home Depot, Target, etc. It will also preclude the development of another retail complex such as Sand Hill Plaza, which is Newtown's 2nd largest taxpayer. Table 7 lists of Newtown's top ten tax payers.

TABLE 7

NEWTOWN'S TOP TEN TAXPAYERS
2001 Grand List

<u>Business</u>	<u>Net Assessment</u>
1. Connecticut Light and Power	\$18,007,210
2. Sand Hill Plaza LLC	\$13,938,710
3. Homesteads of Newtown LLC	\$10,708,630
4. Kendro/Sorvall Products	\$10,051,150
5. Harvey Hubbell, Inc.	\$8,565,990
6. Taunton Press	\$7,866,030
7. Curtis Packaging Corporation	\$7,382,200
8. Rand Whitner Container	\$6,050,290
9. Barnabas Realty Group	\$6,027,500
10. Newtown Shopping Center	\$5,852,980

Source: Newtown Community Development Office

It is likely that the 40,000 square foot prohibition will benefit existing retail businesses. It may also benefit the policy of focusing retail development within the existing

commercial areas of the Borough, reinforcing the position of the Borough as the “center” of the Town.

Industrial and Service Based Economic Development

Industrial and service businesses generate 54% of the total jobs located in Newtown.

Manufacturing Space: As described in Table 2 above, manufacturing employment comprises about 15% of the total jobs in Connecticut and has been on the decline for many years; a decline which is projected by the CT DOL to continue through their 2008 forecast period. However, the manufacturing sector of Newtown’s economy continues to employ more than 20% of the total jobs in Town and will remain an important element of Newtown’s economy. For certain manufacturers, Newtown continues to have the locational advantages of access to major markets. In addition to directly contributing to Newtown’s employment base, the manufacturing sector also generates the need for goods and services essential to the manufacturing process, representing the potential for further contributions to the Town’s overall economic base.

Service Business Space: The service sector was the fastest growing sector of Newtown’s economy between 1993 and 2001, adding 1,260 jobs, which represents a 107% increase. A portion of this sector provides services to Newtown’s local population.

Newtown has experienced a demand for building space to house service sector businesses. In recent years, satisfying the demand for this type of space has been realized through a combination of the rehabilitation of existing buildings and the construction of new buildings. Typically, this type of use does not require highway visibility, but does require ready access to the area highway system. This type of business provides services to other businesses and provides mostly non-retail services to the general population.



Charter Communications – Commerce Rd.

Corporate Office Space Development

Private sector inquires of the Town indicate the existence of a selective demand for major, single user, corporate office space facilities. While this is a limited demand, the development of just one project of this nature would be a major economic development event for Newtown that would likely spur additional spin-off demands for business serving economic development uses.



Taunton Press – South Main St.

There are few sites in Newtown that possess the infrastructure required to support the development of a major corporate office space user. To date the demand for corporate office space has not been realized in Newtown due mainly to problems associated with land assembly and acquisition.

V. FUTURE ECONOMIC DEVELOPMENT POTENTIAL - LAND AVAILABILITY

Economic Development During the Past Ten Years

The maximum build-out analysis calculated in the 1993 POD projected the development potential of an additional 936,547 to 1,137,335 square feet of building space for

TABLE 8

Economic Development Building Activity 1992 - 2001

<u>Building Type</u>	New Construction	Renovations and Conversions	Totals
	<u>Sq. Ft. (% of Total)</u>	<u>Sq. Ft. (% of Total)</u>	<u>Sq. Ft. (% of Total)</u>
Office	82,230 (19%)	21,500 (8%)	103,730 (14.7%)
Retail / Trade	102,624 (23%)	0	102,624 (14.5%)
Mixed Use	13,500 (3%)	138,760 (52%)	152,260 (21.6%)
Manufacturing	123,180 (28%)	65,000 (24%)	188,180 (26.6%)
Miscellaneous	<u>117,685 (27%)</u>	<u>42,000 (16%)</u>	<u>159,685 (22.6%)</u>
TOTALS	439,219 (100%)	267,260 (100%)	706,479 (100%)

Note: This does not include assisted living developments

Source: Newtown Community Development Office

economic development uses. It was estimated in 1993 that this scenario could be achieved in 12 to 17 years, at an average development rate of between 60,997 and 86,412 square feet of new building space per year.

Table 8 above summarizes the amount and type of economic development experienced by the Town during the past 10 years. Total economic development building space developed during this timeframe was 439,219 square feet, translating into an average annual growth rate of 48,802 sq. ft./year, which is slightly below the projected range included in the 1993 POD.

Changes Affecting Future Economic Development Capacity

Since the preparation of the 1993 POD, the Town has actively promoted economic development with zone changes, the prospect of economic incentives, the installation of sewer service designed to support economic development, the preparation of plans to facilitate economic development activities, marketing efforts and the Town's encouragement and support of conforming economic development initiatives.

Planning and/or zoning changes made during the past ten years affect the Hawleyville area, the Curtis Corporate Park and the re-use of the former Fairfield Hills Hospital campus. These changes include:

The Hawleyville Area: The Hawleyville area around the I-84 Exit 9 interchange and the intersection of Routes 6 and 25 has been designated for future economic development activity in Newtown's PODs' for several decades. During the 1990's the Town undertook a detailed planning study of this area. This effort resulted in an amendment to the POD and several zoning changes that would allow for the development of up to 1,280,000 square feet of non-residential building space. The 1993 POD had projected approximately 735,000 square feet of future non-residential building potential for this area. This change represents a potential net gain of approximately 545,000 square feet of building space supporting economic development activities.



Mission Allergy – Hawleyville Village Center

Curtis Corporate Park: In 2000, the Town rezoned an area along Toddy Hill Road, near the intersection with Route 34, for development as an industrial park. This action led to the subdivision of land for the Curtis Corporate Park, which is currently under construction. This industrial subdivision contains 12 lots totaling 22.4 acres. Assuming

the development of a single story building with a building coverage averaging 25% of the lot,¹ and assuming that 100% of the land is free of development constraints and buildable, this 12 lot industrial subdivision could support 244,000 square feet of building space.



It is important to note that this area is not served by sewer or water and falls within the Aquifer Protection Overlay District as defined under the current zoning regulations. The aquifer overlay combined with the lack of utility connections could affect the overall development potential in this area. In addition, the aquifer overlay prohibits certain uses within its jurisdiction. While this does not have a direct affect on develop potential per se, it does limit the types of business that can locate in this area.

Fairfield Hills Hospital Campus: In 1993, the State of Connecticut had not announced plans to close the hospital facility and therefore the future re-use of the Fairfield Hills hospital campus was not factored into the 1993 POD's development potential analysis. The State has since closed the hospital and the Town is in the final stages of negotiating the purchase of the property. Newtown is currently developing a master plan for its re-use.

The hospital campus includes a mixture of institutional buildings, a small portion of which are currently used for town offices, open space and recreational facilities, the Governor's horse guard and the Towns new 5/6 middle school (currently under construction). The former hospital complex contains approximately 1,100,000 square feet of building space.



Fairfield Hills Campus

The Fairfield Hills re-use planning process is considering a range of actions for this 185-acre resource, including building rehabilitation and demolition, new building construction and preservation. At one time the Fairfield Hills Hospital complex was Newtown's

¹ Existing zoning regulations allow for a greater Floor Area Ratio (FAR), however, observations of comparable developments in other areas indicate a 25% coverage is a likely assumption.

largest employer, with over 3,000 employees. While it is too early in the Fairfield Hills master planning process to determine the exact types and amounts of uses that will be recommended for the future of the 185 acre site, it is reasonable to anticipate that portions of the campus will contribute some additions to the Town's future inventory of land and building space supporting economic development activities.

Commerce Park Expansion: The Town is currently planning to acquire 37.5 acres of land adjacent to Commerce Road from the State of Connecticut. Current plans for this land call for an expansion of Commerce Park to support economic development activities. The number of buildable lots that this parcel may support is unknown at this time. However, it is known that wetlands exist on this site, which will affect the parcel's development potential. If it is assumed that 25% of the site will be removed from development due to road infrastructure, wetlands or other environmental constraints, and that single story structures with 25% building coverage will be constructed, then approximately 306,000 square feet of non-residential building space could be supported.

Future Potential to Support Economic Development

In estimating the Town's physical capacity to support future economic development activities, the amount of economic development that occurred since 1992 (Table 8) was subtracted from the estimates calculated in the 1993 POD. The additional development potential resulting from the Hawleyville, Curtis Corporate Park and Commerce Park expansion areas were added to derive the estimate of additional building space potential to support economic development activities. No estimate has been included for economic development proposals which may be forthcoming from the Fairfield Hills master planning process. This information will be included for consideration as it becomes available. As described in Table 9 on the following page, a total economic development potential of between 1,595,000 – 1,795,000 square feet of new building space results.

TABLE 9 Estimate of Future Economic Development Potential Newtown, Connecticut	
Source of Estimates	Building Area (Sq.Ft.)
Economic Development Potential Estimated in 1993 POD ¹	936,547 – 1,137,335
Less New Economic Development Building Construction Since the 1993 POD ²	(439,219)
Subtotal (rounded)	500,000 – 700,000
<i>Additional Development Potential Created Since 1993 POD</i>	
Hawleyville Area	540,000
Curtis Corporate Park	244,000
Commerce Park Expansion	<u>306,000</u>
Subtotal	1,090,000
Total Future Economic Development Building Potential Estimated in 2002	<u>1,590,000 – 1,790,000</u>

¹ Newtown Plan of Development, 1993, p. 32

² Newtown Community Development Office, Newtown Land Use Department, 2002

VI. ISSUES, GOALS AND STRATEGIES

In 1999, the Economic Development Commission (EDC) of Newtown prepared an update to the document entitled The Strategic Plan of Economic Development (see Appendix A). This document identifies 13 “Missions” which are designed to maintain existing business and facilitate new economic development activity. Several of these “Missions” relate to issues which should be addressed in updating the POCD and have been incorporated into portions of the following discussion of Issues, Goals and Strategies.

ISSUE #1: SHORTAGE OF VIABLE ECONOMIC DEVELOPMENT SITES

1. The Newtown Economic Development Commission identifies a lack of land suitable to support new economic development activity. While there is a sizeable inventory of vacant land zoned for commercial and industrial uses, significant areas of this inventory are incapable of supporting meaningful economic development due to physical limitations, including the presence of wetlands and poor accessibility to major arterials.

Goal: Increase the Inventory of Viable Economic Development Sites

Strategies:

1. Expand the Sandy Hook Design District so that it extends up Church Hill Road toward Exit 10 and southward along Washington Avenue toward I-84. Permit a higher residential density within this area when it is part of a mixed-use development that includes both commercial and residential uses;
2. Enable Dodgingtown to become a small mixed-use hamlet at a scale to serve nearby neighborhoods, with convenience retail and housing uses permitted to be developed when combined into a single development;
3. Enable Botsford to become a small mixed-use hamlet at a scale to serve nearby neighborhoods, with convenience retail and housing uses permitted to be developed when combined into a single development;



Washington Ave. – Berkshire Rd. Commercial Uses



4. Consider rezoning the R-1 areas on the west side of Route 25 south of the Borough to a mixed use zone that enables the development of projects that include both commercial and residential uses on the same parcel.

5. The 1993 POD recommended the development of residential uses within the Route 25 corridor south of the Borough. Expand upon this recommendation to encourage the development of mixed-use projects that include both commercial and residential uses on the same parcel.

6. Consider rezoning the south side of Route 6 west side of Pocono Road to enable the development of mixed-use projects that include both commercial and residential uses on the same parcel.

7. Support the economic development of the 37.5 acre parcel accessed from Commerce Road that the Town will be receiving from the State of Connecticut.

8. Support the economic development elements of the recommended re-use plan for Fairfield Hills Hospital Campus;

9. Permit the development of bed and breakfast establishments within the Borough, Sandy Hook, commercial areas and as part of mixed-use projects;

10. Once the Town's geographic information system (GIS) becomes fully operational, examine the current inventory of existing parcels zoned for economic development uses relative to development constraints, such as the presence of wetlands and steep slopes, poor access, etc. Consider rezoning those properties that are deemed not suitable to support economic development activities.



Route 6 Gateway from Bethel

ISSUE #2: TRANSPORTATION IN NEWTOWN'S COMMERCIAL CORRIDORS

1. Newtown's major commercial corridors are the most heavily traveled arterials in Town. Areas of traffic congestion and safety issues within these corridors have been described in Plan Memorandum #7, Transportation and Circulation;
2. As Newtown and the surrounding areas continue to grow, Newtown's network of State and local roads will experience increases in traffic volumes that are likely to create new points of congestion and additional safety issues.

Goal *Preserve Development Capacity: Address traffic congestion problems and safety issues.*

Strategies:

1. Implement a coordinated strategy for incremental improvements to safety and congestion problems that is tied to approvals for new or expanded development within the corridors and paid for by those proposing changes. This strategy should be coordinated with the State Traffic Commission;
2. Continue to implement the recommendations for curb cut management, on Routes 25 and 6, as previously adopted the Newtown Planning and Zoning Commission;
3. Encourage the Newtown Borough Zoning Commission to adopt and implement curb cut management recommendations for Church Hill Road, between the Flag Pole and I-84 Exit 10;
4. Support Borough efforts to implement measures that will enhance the pedestrian environment, especially along the commercial environments of Queen Street and Church Hill Road;
5. Support implementation efforts that will enhance the pedestrian environment of the Sandy Hook Village Center;
6. Work with HART, HVCEO and ConnDOT to establish fixed-route bus service on a trial basis to determine the viability of public transit as an alternative mode of transportation for Newtown residents and employees of Newtown businesses;



Sandy Hook Village - Church Hill Road

7. Become actively involved in future rail freight planning activities with ConnDOT and the Housatonic Railroad Company to ensure that Newtown's economy is satisfactorily served and that resulting activities are compatible with affected neighborhoods and roads.



Hawleyville Lumber Transload Facility

ISSUE #3: APPEARANCE OF NEWTOWN'S COMMERCIAL CORRIDORS AND VILLAGE AREAS

1. Most of the commercial uses serving the needs of Newtown's residents have been regulated to front on arterial highways, including Route 25 south of the Borough, Church Hill Road and along Route 6 west of Saw Mill Road

Many commercial uses are located in free-standing buildings with shallow set-backs from the highway and parking lots in front. Other commercial uses are located in small shopping centers with similar design characteristics. The common visual characteristic of many of these commercial uses, often located side by side, is a parking lot fronting the highway, which elicits a character of strip suburban development;



Commercial Center on South Main St.

2. Because these commercial uses front on the most heavily traveled roadways in Newtown, their appearance contributes significantly to the daily perception of Newtown's community character, for residents and visitors alike. Currently, some portions of these corridors are not very appealing while others are quite attractive;
3. The character of the Borough and Sandy Hook Village Center are affected by the appearance of commercial uses.



Commercial Center on South Main St.

Goal: Enhance the Appearance of Newtown's Commercial Corridors and Villages

Strategies:

1. Adopt the recommendation of the Newtown EDC for the Newtown Planning and Zoning Commission to prepare design criteria to be used by developers proposing new and expansion commercial, industrial, multi-family and mixed-use development projects;
2. Develop and implement design criteria for the Sandy Hook Design District and support streetscape enhancement proposals;
3. Develop and implement design criteria for the Hawleyville Design District;
4. Support the Borough's proposal to develop and implement Village District regulations that will govern the design of future development activities within the Borough;
4. Encourage mixed-use development which incorporates landscaped public plazas and design features that create pedestrian friendly environments;
6. Where mixed-use development is not possible and linkage is not warranted, adequate buffers should be developed between commercial and residential uses.



Sandy Hook Village Shop



Mixed-Use Colonial Park Plaza
on South Main Street

ISSUE #4: SHORTAGE OF HOUSING FOR EMPLOYEES

1. The Newtown Economic Development Commission has identified the need for affordable, diversified housing opportunities that would include multi-family rental housing.

Goal: Increase the Inventory of Affordable Rental Housing

Strategies:

1. Encourage the development of mixed-use projects within Newtown's principle commercial corridors and districts that include affordable rental housing. Housing should not be encouraged in areas zoned for industrial/manufacturing uses.

ISSUE #5: REDEVELOPMENT OF BROWNFIELD SITES

1. Newtown has two brownfield sites. One is the Batchelder property located on Swamp Road in the southern part of Town and the other is the Noranda Metal Industries property located on Prospect Drive, off of South Main Street. The Batchelder property has not paid taxes since 1984. The Noranda property is vacant but continues to pay taxes to the Town. (Source: Newtown Community Development Office)

Goal: Facilitate the Reuse of Newtown's Brownfield Sites

Strategies:

1. To date, the marketing of this property has not produced any takers. Examine the Batchelder Property, a former aluminum smelting plant, to determine if it has economic development reuse potentials. The site fronts on and has a rail siding from the Maybrook Line. Access from the property to the closest major arterial (Route 25) is via Swamp Road, which is a local residential street. The property contains substantial wetlands and is located near watershed property;
2. Work with the owners of the Noranda property to facilitate clean-up and reuse of the facility, without obligating the Town financially.



Batchelder Property – Swamp Road

ISSUE #6: DEVELOPMENT OF AGRI-BUSINESS

1. Newtown has a substantial inventory of open land which was once used to support various forms of agricultural uses. Much of this land may eventually be subdivided for residential development.

Goal: *Facilitate the maintenance and development of agri-business in scale with Newtown.*

Strategies:

1. Investigate agri-business needs and develop municipal policies which will facilitate the maintenance and expansion of existing operations and encourage the development of new agri-businesses that are compatible with Newtown's rural character.



ISSUE #7: SUSTAINABLE ECONOMIC DEVELOPMENT

1. A prime tenant of sustainable economic development is the continuous use of land, buildings and infrastructure that has been dedicated to support economic development activities.

The adequacy of a building to support a business use is often tested as the business expands and outgrows available space or the building becomes unsuited to the changing needs of the business activity. As buildings become obsolete relative to the business activities they house they are either updated, expanded or replaced by contemporary structures.

The locational attributes of easy access and supporting infrastructure remain important to the continued viability of the existing business zones in Newtown. The remaining vacant land in these zones will play a role in responding to accommodate expansions of existing business or the creation of new development sites. It is in the Town's interest to remain flexible in its regulations so that the ever-changing building forms required by business can be accommodated, while respecting the environment and affected neighborhoods.

Goal: *Facilitate the sustainability of Newtown's existing economic base.*

Strategies:

1. Review the Town's many business and industrial zones and identify ways that they might be combined. For example, does the need remain for six separate industrial zones (M-1 thru M-6) in Newtown?
2. Review municipal regulations to determine how they can become more supportive of the economic development reuse of existing buildings;

3. Continue to maintain contact with the business community and initiate actions which are designed to retain and grow existing businesses.

CONCLUSIONS

The Town of Newtown has a significant economic base upon which to build in the future. The variety of business types which have successfully developed in Newtown over the years are an indication of the multi-dimensional market strengths of Newtown as a place to do business.

During the next 10 years, Newtown can expect to benefit from its competitive position. Relative to surrounding markets, Newtown's major transportation resources will continue to provide locational advantages associated with access to major markets. And, Newtown is an attractive community in which to locate and grow a business and to live.

The areas of Newtown which have experienced the greatest success in attracting and sustaining new economic development during the past 10 years, such as Commerce Road, Barnabas Road, Pecks Lane, Route 25, Route 6 - Church Hill Road, etc. are indicators of the types of development resources that will be needed in the future to attract new businesses and provide expansion opportunities for Newtown's existing businesses.

The inventory of viable economic development sites in Newtown needs to be increased to provide opportunities to satisfy future market demands for desired business activities. Several of the economic development resources identified above are nearing saturation and need to be expanded where possible. New economic development sites should be of a quality equal to or better than those that are currently occupied in Newtown. They should also support the development needs of a variety of business types, including manufacturing, service, population serving office space, and corporate office space. The Exit 9-Hawleyville area, the proposed expansion of Commerce Park, Curtis Corporate Park and possibly Fairfield Hills, offer the potential to meet the needs for new economic development sites in a manner consistent with the desire for balanced development, in a fashion that will enhance Newtown's community character.

APPENDIX A

THE STRATEGIC PLAN OF ECONOMIC DEVELOPMENT TOWN OF NEWTOWN, CONNECTICUT

September 1999

**Prepared by the
NEWTOWN ECONOMIC DEVELOPMENT COMMISSION**